Sale of land assets of Bengal Chemicals and Pharmaceuticals Limited

3028. SHRI VISHNU KANT SHASTRI: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether it is a fact that land assets of Bengal Chemicals and Pharmaceuticals Limited at Calcutta, Bombay and Kanpur are being sold in a phased manner; and

(b) if so, the details of such sales and the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI EDUARDO FALEIRO): (a) and (b) No, Sir. However, Bengal Chemicals and Pharmaceuticals Limited (BCPL) is a sick company. The company has surplus unproductive assets. Generation of resources through sale/disposal of such unproductive assets for the purpose of the revival of the company could also be considered as one of the means for raising resources.

Losses suffered by Bengal Cchemicals and Pharmaceuticals Ltd.

3029. SHRI VISHNU KANT SHASTRI: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether it is a fact that the Bengal Chemicals and Pharmaceuticals Ltd., has suffered huge losses; if so, the reasons therefor;

(b) the total loss as on 31st December, 1993 ;

(c) what steps Government have taken or propose to take to remedy the situation, and

(d) whether any responsibility has been fixed on persons at the help of affairs of the Company; if so, the details thereof; if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI EDUARDO FALEIRO): (a) to (d) Bengal Chemicals and Pharmaceuticals Limited (BCPL) was a sick company in the private sector. The management of the company was taken over and subsequently nationalised. The company has been incurring losses the years and the estimated accumulated loss upto 31st December, 1993 is Rs. 100.76 crores. The major reasons for sickness of the company are old plant and machinery, over dependence on institutional sales, inadequate marketing strategy, excess manpower resulting in high incidence of employment cost, constraints of working capital etc. The sickness of the company is the result of a combination of factors and cannot be attributed to management failure alone. The management of the company has made a reference to the BIFR in compliance with the provisions of the Sick Industrial Companies (Special Provisions) Act, 1985 (SICA). The revival or otherwise of the company will depend upon the orders of the BIFR, a statutory authority set up under the law

गुजरात में उर्वरक संयंत्र स्थापित किया जाना

3030. **श्री चिमनभाई हरिभाई शुक्ल** : क्या रसायन और उर्वरक मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या गुजरात सरकार ने केन्द्रीय सरकार की आठवीं पंचवर्षीय योजनावधि के दौरान राज्य में उर्वरक संयंत्रों की स्थापना हेतु कोई प्रस्ताव पेश किया है ;

(ख) यदि हां, तो उसका ब्यौरा क्या है ;

(ग) ऐसे संयंत्रों की स्थापना हेतु राज्य में कौन-कौन से स्थानों का चयन किया गया है ; और

(घ) इन प्रस्तावित संयंत्रों की कुल लागत कितनी है तथा इन्हें कब तक स्थापित किया जायेगा ?

रसायन और उर्वरक मंत्रालय में राज्य मंत्री (श्री एडुआर्डो फेलेरियो) : (क) वर्तमान में भारत सरकार के पास गुजरात सरकार का ऐसा कोई प्रस्ताव लंबित नहीं है । इसके अतिरिक्त, उर्वरक

संयंत्र स्थापित करने के लिये पर्यावरणात्मक मंजूरी के अलावा अन्य कोई लाइसेंस अपेक्षित नहीं है।

(ख) से (घ) प्रश्न नहीं उठता।

3131. [*Transferred to 22nd April, 1994*]

Revival package for IDPL

3032. SYED SIBTEY RAZI: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether the Board for industrial and Financial Reconstruction has approved a revival package for Indian Drugs and Pharmaceutical, Limited.

(b) if so, the details thereof, with details of funds required in this regard;

(c) whether this revival package will bring any fruitful results;

(d) if so, details thereof and if not, the reasons therefor;

(e) whether Government propose to take some steps to ensure that closure of I.D.P.L. may not be repeated in future; and

(f) if so, the details thereof and if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILISERS (SHRI EDUARDO FALEIRO): (a) Yes, Sir.

(b) to (d) The revival package envisages, inter alia, higher production/sales, aggressive marketing strategy, expansion of capacity of key products with marginal investment, reduction in the fixed cost, rationalisation of the manpower, capital restructuring, business restructuring support and assistance from the Banks, State Governments, support and cooperation from the employees. A capital investment of Rs. 31.06 crores is envisaged. The sacrifices and support from the Government on account of capital restructuring is about Rs. 435 crores besides a fresh cash outgo of Rs. 120 crores over a period of 2 years. The networth of the company is expected to turn positive by the sixth year and accumulated losses are expected to be wiped out by the 9th year. The company is expected to be able to generate profits and service the restructured debt within the revival period.

(e) and (f) The implementation of the revival package will be subject to half-yearly review by the Board for Industrial and Financial Reconstruction (BIFR) in addtion to periodical reviews by the Board of Directors of the company and by the Government.

Pending representations of drugs producers

3033. SHRIMATI SATYA BAHIN:
DR. NARREDDY THULASI REDDY:

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to refer to answer to unstarred Question 3040 given in the Rajya Sabha on the 23rd December, 1993 and state:

(a) what are the details of price reductions of bulk drugs and formulations effected during the year 1993-94,in terms of product, pack, earlier price, reduced price date of reducton and percentage reduction;

(b) whether it is a fact that a number of BICP reports and representations from bulk drugs producers have been kept pending;

(c) what are the details in respect of each bulk drug and since when the representations are pending; and

(d) what steps have been taken to streamline the procedure and what are the reasons for pendency in each case?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILISERS (SHRI EDUARDO FALEIRO): (a) The details of reduction in prices of price controlled bulk drugs as reduced during 1993-94 are given in